

Scott M. Tyler
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Charlotte, NC 28202-4003

Also Admitted in SC

January 13, 2012

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

Re: GCRM-133, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-133.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels below the \$3.25 commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of overcollecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not decreased to \$2.75 per dekatherm as proposed herein. The relief requested herein will avoid such overcollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.05088/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and a decrease of \$0.00088/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in February, 2012.

Ms. Jocelyn G. Boyd
January 13, 2011
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler
Scott M. Tyler

Enclosures

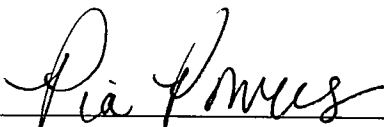
c: Mr. David Carpenter
Ms. Pia Powers
Mr. Jim Jeffries
Office of Regulatory Staff (via email and 5 copies via overnight delivery)

STATE OF NORTH CAROLINA

VERIFICATION

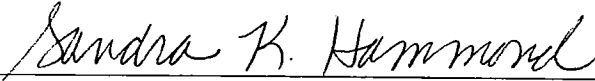
COUNTY OF MECKLENBURG

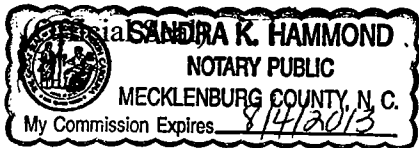
Pia Powers, being duly sworn, deposes and says that she is Manager – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.


Pia Powers

Mecklenburg County, North Carolina
Signed and sworn to before me this day by Pia Powers.

Date: January 13, 2012


Sandra K. Hammond, Notary Public



My commission expires: August 4, 2013

RATES AND CHARGES

SOUTH CAROLINA RATES AND CHARGES

Residential

Residential Service - Value Rate 201

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.69206
April - October	\$ 8.00	April - October	\$ 0.64676

Residential Service - Standard Rate 221

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.89926
April - October	\$ 8.00	April - October	\$ 0.90562

Outdoor Gaslight Service - Rate 205

Monthly Charge	\$ 15.00
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SOUTH CAROLINA RATES AND CHARGES

Commercial

Small General Service - Standard Rate 202

Monthly Charge	\$ 22.00	Rate Per Therm	
		November - March	\$ 0.80764
		April - October	\$ 0.77157

Small General Service - Value Rate 232

Monthly Charge	\$ 22.00	Rate Per Therm		
		November - March	First 2,000	\$ 0.74484
			Over 2,000	\$ 0.71361
		April - October	First 2,000	\$ 0.64546
			Over 2,000	\$ 0.61701

Medium General Service - Standard Rate 252

Monthly Charge	\$ 75.00	Rate Per Therm	
		November - March	\$ 0.78215
		April - October	\$ 0.73858

Medium General Service - Value Rate 262

Monthly Charge	\$ 75.00	Rate Per Therm		
		November - March	First 5,000	\$ 0.71033
			Over 5,000	\$ 0.67459
		April - October	First 5,000	\$ 0.61421
			Over 5,000	\$ 0.58832

Small General Service - Motor Fuel Rate 242

Monthly Charge *	\$ 22.00	Rate Per Therm		Rate Per GGE **
		November - March	\$ 0.53097	0.66902 **
		April - October	\$ 0.49860	0.62824 **

* The Monthly Charge for Rate 242 is not applicable to gas service provided at the Company's Premises.

** The Company may bill in units of Gasoline Gallon Equivalent ("GGE") for gas service provided at the Company's Premises under Rate 242. The rates above convert 1.26 Therms to 1 GGE.

SOUTH CAROLINA RATES AND CHARGES

Industrial

Large General Sales Service - Rate 203

Monthly Charge		\$	250.00
Demand Charge (monthly per peak day therm usage)		\$	1.79812
Rate Per Therm			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.54672	First 15,000	\$ 0.45548
Next 15,000	\$ 0.47597	Next 15,000	\$ 0.40649
Next 75,000	\$ 0.43680	Next 75,000	\$ 0.41026
Next 165,000	\$ 0.36376	Next 165,000	\$ 0.34519
Next 330,000	\$ 0.30844	Next 330,000	\$ 0.30344
Over 600,000	\$ 0.27987	Over 600,000	\$ 0.27987

Interruptible Sales Service - Rate 204

Monthly Charge		\$	250.00
Rate Per Therm			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.62360	First 15,000	\$ 0.47007
Next 15,000	\$ 0.54668	Next 15,000	\$ 0.42058
Next 75,000	\$ 0.48971	Next 75,000	\$ 0.39236
Next 165,000	\$ 0.51032	Next 165,000	\$ 0.37410
Next 330,000	\$ 0.40688	Next 330,000	\$ 0.31844
Over 600,000	\$ 0.31987	Over 600,000	\$ 0.28987

Large General Transportation Service - Rate 213

Monthly Charge		\$	250.00
Demand Charge (monthly per peak day therm usage)		\$	0.59651
Standby Sales Service Charge (monthly per peak day therm usage)		\$	1.20161
Rate Per Therm			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.24480	First 15,000	\$ 0.17334
Next 15,000	\$ 0.17807	Next 15,000	\$ 0.12502
Next 75,000	\$ 0.13160	Next 75,000	\$ 0.09918
Next 165,000	\$ 0.08838	Next 165,000	\$ 0.06652
Next 330,000	\$ 0.03369	Next 330,000	\$ 0.02844
Over 600,000	\$ 0.00487	Over 600,000	\$ 0.00487

Interruptible Transportation Service - Rate 214

Monthly Charge		\$	250.00
Rate Per Therm			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.24452	First 15,000	\$ 0.17313
Next 15,000	\$ 0.17769	Next 15,000	\$ 0.12416
Next 75,000	\$ 0.12934	Next 75,000	\$ 0.09394
Next 165,000	\$ 0.08126	Next 165,000	\$ 0.06360
Next 330,000	\$ 0.03433	Next 330,000	\$ 0.04874
Over 600,000	\$ 0.00487	Over 600,000	\$ 0.00487

SOUTH CAROLINA RATES AND CHARGES

Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Governmental Taxes and Fees

Customers shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

Issued by Thomas E. Skains, Chairman, President and CEO
Issued to comply with the authority granted by
The Public Service Commission of South Carolina
GCRM - 133

Issued: January 13, 2012
Effective: February 2012

SCHEDULE A

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective February 2012
GCRM - 133

South Carolina Rate Schedules:		Current January 2012 <u>Billing Rates</u>	Commodity Change	Proposed February 2012 <u>Billing Rates</u>
201	Residential Service - Value			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Per Therm - Winter (Nov.-Mar.)	0.74294	(0.05088)	0.69206
	Per Therm - Summer (Apr.-Oct.)	0.69764	(0.05088)	0.64676
221	Residential Service - Standard			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Per Therm - Winter (Nov.-Mar.)	0.95014	(0.05088)	0.89926
	Per Therm - Summer (Apr.-Oct.)	0.95650	(0.05088)	0.90562
205	Outdoor Gas Light Service			
	Monthly Charge	15.00		15.00
202	Small General Service-Standard			
	Monthly Charge	22.00		22.00
	Per Therm - Winter (Nov.-Mar.)	0.85852	(0.05088)	0.80764
	Per Therm - Summer (Apr.-Oct.)	0.82245	(0.05088)	0.77157
232	Small General Service-Value			
	Monthly Charge	22.00		22.00
	Per Therm - Winter (Nov.-Mar.)			
	First 2,000	0.79572	(0.05088)	0.74484
	Over 2,000	0.76449	(0.05088)	0.71361
	Per Therm - Summer (Apr.-Oct.)			
	First 2,000	0.69634	(0.05088)	0.64546
	Over 2,000	0.66789	(0.05088)	0.61701
252	Medium General Service-Standard			
	Monthly Charge	75.00		75.00
	Per Therm - Winter (Nov.-Mar.)	0.83303	(0.05088)	0.78215
	Per Therm - Summer (Apr.-Oct.)	0.78946	(0.05088)	0.73858
262	Medium General Service-Value			
	Monthly Charge	75.00		75.00
	Per Therm - Winter (Nov.-Mar.)			
	First 5,000	0.76121	(0.05088)	0.71033
	Over 5,000	0.72547	(0.05088)	0.67459
	Per Therm - Summer (Apr.-Oct.)			
	First 5,000	0.66509	(0.05088)	0.61421
	Over 5,000	0.63920	(0.05088)	0.58832
242	Small General Service-Motor Fuel			
	Monthly Charge	22.00		22.00
	Per Therm - Winter (Nov.-Mar.)	0.58185	(0.05088)	0.53097
	Per Therm - Summer (Apr.-Oct.)	0.54948	(0.05088)	0.49860
203	Large General Sales Service			
	Monthly Charge	250.00		250.00
	Per Therm - Billing Demand	1.79812		1.79812
	Per Therm - Winter (Nov.-Mar.)			
	First 15,000	0.59760	(0.05088)	0.54672
	Next 15,000	0.52685	(0.05088)	0.47597
	Next 75,000	0.48768	(0.05088)	0.43680
	Next 165,000	0.41464	(0.05088)	0.36376
	Next 330,000	0.35932	(0.05088)	0.30844
	Over 600,000	0.33075	(0.05088)	0.27987
	Per Therm - Summer (Apr.-Oct.)			
	First 15,000	0.50636	(0.05088)	0.45548
	Next 15,000	0.45737	(0.05088)	0.40649
	Next 75,000	0.46114	(0.05088)	0.41026
	Next 165,000	0.39607	(0.05088)	0.34519
	Next 330,000	0.35432	(0.05088)	0.30344
	Over 600,000	0.33075	(0.05088)	0.27987

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective February 2012
GCRM - 133

South Carolina Rate Schedules:		Current January 2012 <u>Billing Rates</u>	Commodity Change	Proposed February 2012 <u>Billing Rates</u>
204	Interruptible Sales Service			
	Monthly Charge	250.00		250.00
	Per Therm - Winter (Nov.-Mar.)			
	First 15,000	0.67448	(0.05088)	0.62360
	Next 15,000	0.59756	(0.05088)	0.54668
	Next 75,000	0.54059	(0.05088)	0.48971
	Next 165,000	0.56120	(0.05088)	0.51032
	Next 330,000	0.45776	(0.05088)	0.40688
	Over 600,000	0.37075	(0.05088)	0.31987
	Per Therm - Summer (Apr.-Oct.)			
	First 15,000	0.52095	(0.05088)	0.47007
	Next 15,000	0.47146	(0.05088)	0.42058
	Next 75,000	0.44324	(0.05088)	0.39236
	Next 165,000	0.42498	(0.05088)	0.37410
	Next 330,000	0.36932	(0.05088)	0.31844
	Over 600,000	0.34075	(0.05088)	0.28987
213	Large General Transportation Service			
	Monthly Charge	250.00		250.00
	Per Therm - Standby Demand	1.20161		1.20161
	Per Therm - Billing Demand	0.59651		0.59651
	Per Therm - Winter (Nov.-Mar.)			
	First 15,000	0.24568	(0.00088)	0.24480
	Next 15,000	0.17895	(0.00088)	0.17807
	Next 75,000	0.13248	(0.00088)	0.13160
	Next 165,000	0.08926	(0.00088)	0.08838
	Next 330,000	0.03457	(0.00088)	0.03369
	Over 600,000	0.00575	(0.00088)	0.00487
	Per Therm - Summer (Apr.-Oct.)			
	First 15,000	0.17422	(0.00088)	0.17334
	Next 15,000	0.12590	(0.00088)	0.12502
	Next 75,000	0.10006	(0.00088)	0.09918
	Next 165,000	0.06740	(0.00088)	0.06652
	Next 330,000	0.02932	(0.00088)	0.02844
	Over 600,000	0.00575	(0.00088)	0.00487
214	Interruptible Transportation Service			
	Monthly Charge	250.00		250.00
	Per Therm - Winter (Nov.-Mar.)			
	First 15,000	0.24540	(0.00088)	0.24452
	Next 15,000	0.17857	(0.00088)	0.17769
	Next 75,000	0.13022	(0.00088)	0.12934
	Next 165,000	0.08214	(0.00088)	0.08126
	Next 330,000	0.03521	(0.00088)	0.03433
	Over 600,000	0.00575	(0.00088)	0.00487
	Per Therm - Summer (Apr.-Oct.)			
	First 15,000	0.17401	(0.00088)	0.17313
	Next 15,000	0.12504	(0.00088)	0.12416
	Next 75,000	0.09482	(0.00088)	0.09394
	Next 165,000	0.06448	(0.00088)	0.06360
	Next 330,000	0.04962	(0.00088)	0.04874
	Over 600,000	0.00575	(0.00088)	0.00487

SCHEDULE B

Piedmont Natural Gas Company, Inc.
South Carolina
Commodity Cost of Gas Calculation
GCRM - 133

	Annualized Throughput (DT) per Docket 2011-7-G <u>Order No. 2011-741</u>	Proposed Increase (Decrease) <u>Rate per (DT)</u>	<u>Total</u>
Sales	13,262,437	\$ (0.50)	\$ (6,631,219)
Transportation	5,318,061		
Total Throughput	18,580,498		
LAUF %	1.77%		
Company Use & Lost And Unacct For	328,875	\$ (0.50)	\$ (164,438)
Total Throughput			18,580,498
LAUF Rate Adjustment per DT			(0.0088)
Sales Commodity Rate Adjustment per DT			(0.5088)
Sales Commodity Rate Adjustment per Therm			(0.05088)
Transportation Commodity Rate Adjustment per DT			(0.0088)
Transportation Commodity Rate Adjustment per Therm			(0.00088)
Current Effective Benchmark per DT			\$ 3.25
Proposed Effective Benchark per DT			\$ 2.75

CERTIFICATE OF SERVICE

The undersigned hereby certifies that copies of the attached documents are being served this date via email and UPS Overnight (5 copies) upon:

John W. Flitter
Florence P. Belser
Nanette Edwards
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jflitter@regstaff.sc.gov
fbelser@regstaff.sc.gov
nsedwar@regstaff.sc.gov

And that copies of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter
Managing Director Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 13th day of January, 2012.

s/ Scott M. Tyler
Scott M. Tyler